

STATE OF MICHIGAN
COMBINED STATEMENT OF CASH FLOWS
PROPRIETARY FUND TYPES AND DISCRETELY PRESENTED COMPONENT UNITS
FISCAL YEAR ENDED SEPTEMBER 30, 2000
(In Thousands)

	ENTERPRISE	INTERNAL SERVICE	TOTALS PRIMARY GOVERNMENT (MEMORANDUM ONLY)	COMPONENT UNITS
CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	\$ 722,721	\$ 7,950	\$ 730,670	\$ 109,635
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation	552	33,373	33,926	317
Amortization of prepaid expenses	-	93	93	-
Amortization of deferred items (net)	-	-	-	4,089
Interest (nonprogram) and investment income	-	-	-	(153,209)
Interest expense	-	-	-	287,912
Other adjustments	6	-	6	8,203
Changes in assets and liabilities:				
Amounts due from other funds	-	12,208	12,208	-
Amounts due from component units	-	-	-	71,038
Amounts due from primary government	-	-	-	161
Amounts due from federal agencies	-	20	20	(2,527)
Amounts due from local units	-	-	-	(269,850)
Inventories	2,862	(1,803)	1,059	(15)
Mortgages and loans receivable (program loans)	-	-	-	(107,151)
Other assets	(8,850)	(9,058)	(17,909)	(16,730)
Accounts payable and other liabilities	(278,572)	17,420	(261,152)	35,787
Amounts due to other funds	53	(14,092)	(14,038)	1,394
Amounts due to component units	-	-	-	(2,846)
Amounts due to primary government	-	-	-	(295)
Deferred revenue	(3)	128	125	1,524
Tuition benefit obligation (nonaccretion portion)	-	-	-	(50,827)
Net cash provided (used) by operating activities	<u>\$ 438,769</u>	<u>\$ 46,239</u>	<u>\$ 485,007</u>	<u>\$ (83,392)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Other nonoperating revenues	\$ -	\$ -	\$ -	\$ 1,468
Proceeds from sale of bonds and notes	-	-	-	1,146,566
Principal repayments on bonds and notes	-	-	-	(817,082)
Interest paid	-	-	-	(272,036)
Loans or loan repayments to other funds	-	(2,000)	(2,000)	-
Specific tax on spirits	9,991	-	9,991	-
Grants received from federal government	-	-	-	221,017
Nonoperating grants	-	-	-	(167,062)
Other nonoperating expenses	-	-	-	(566)
Operating transfers from component units	-	-	-	174,941
Operating transfers from primary government	-	-	-	1,948
Operating transfers to other funds	(753,885)	(317)	(754,202)	-
Operating transfers to component units	-	-	-	(723)
Equity transfers from primary government	-	-	-	17,354
Other noncapital financing provided	-	-	-	75
Other noncapital financing used	-	-	-	(1,058)
Net cash provided (used) by noncapital financing activities	<u>\$ (743,894)</u>	<u>\$ (2,317)</u>	<u>\$ (746,211)</u>	<u>\$ 304,843</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from sale of bonds and notes	\$ -	\$ -	\$ -	\$ 6,359
Acquisition and construction of capital assets	(105)	(13,812)	(13,917)	(9,574)
Principal paid on bond and loan maturities	-	(10,677)	(10,677)	(3,607)
Interest paid on revenue bonds	-	(279)	(279)	(167)
Capital lease payments (including imputed interest expense)	-	(5,234)	(5,234)	-
Proceeds from sale of property, plant, and equipment	3,475	1,053	4,528	-
Net cash provided (used) by capital and related financing activities	<u>\$ 3,370</u>	<u>\$ (28,949)</u>	<u>\$ (25,579)</u>	<u>\$ (6,989)</u>

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	ENTERPRISE	INTERNAL SERVICE	TOTALS PRIMARY GOVERNMENT (MEMORANDUM ONLY)	COMPONENT UNITS
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investment securities	\$ (111,742)	\$ -	\$ (111,742)	\$ (1,258,616)
Proceeds from sale and maturities of investment securities	381,093	-	381,093	967,724
Interest and dividends on investments	13,917	-	13,917	131,158
Proceeds from securities lending activities	15,160	-	15,160	-
Expenses from securities lending activities	(14,224)	-	(14,224)	-
Net cash provided (used) by investing activities	<u>\$ 284,203</u>	<u>\$ -</u>	<u>\$ 284,203</u>	<u>\$ (159,734)</u>
Net cash provided (used) - all activities	\$ (17,552)	\$ 14,972	\$ (2,579)	\$ 54,728
Cash and cash equivalents at beginning of year - restated	<u>77,638</u>	<u>71,526</u>	<u>149,165</u>	<u>567,153</u>
Cash and cash equivalents at end of year	<u>\$ 60,087</u>	<u>\$ 86,499</u>	<u>\$ 146,585</u>	<u>\$ 621,882</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS				
Per balance sheet classifications:				
Cash	\$ 3	\$ 68	\$ 71	\$ 424,084
Equity in common cash	63,826	94,438	158,265	197,798
Warrants outstanding	(3,743)	(8,008)	(11,751)	-
Cash and cash equivalents at end of year	<u>\$ 60,087</u>	<u>\$ 86,499</u>	<u>\$ 146,585</u>	<u>\$ 621,882</u>
SCHEDULE OF NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES				
Cost of capital assets acquisitions financed by capital leases	\$ -	\$ 17,941	\$ 17,941	\$ -
Capital lease liabilities entered into during the year	-	(17,941)	(17,941)	-
Contributed fixed assets	-	809	809	-
Gain (loss) on disposal of capital assets	-	(103)	(103)	-
Total noncash investing, capital, and financing activities	<u>\$ -</u>	<u>\$ 706</u>	<u>\$ 706</u>	<u>\$ -</u>

The accompanying notes are an integral part of the financial statements.